

114TH CONGRESS
1ST SESSION

H. R. 2306

To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty in, and reduce the eligibility limitation on, the tax credit for health insurance premiums.

IN THE HOUSE OF REPRESENTATIVES

MAY 13, 2015

Mr. GROTHMAN introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty in, and reduce the eligibility limitation on, the tax credit for health insurance premiums.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Obamacare Marriage
5 Penalty Elimination Act”.

1 **SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN HEALTH**

2 **INSURANCE PREMIUM TAX CREDIT.**

3 (a) IN GENERAL.—Section 36B(d) of the Internal
4 Revenue Code of 1986 is amended by adding at the end
5 the following new paragraph:

6 “(4) ELIMINATION OF MARRIAGE PENALTY.—In
7 the case of a joint return—

8 “(A) CREDIT DETERMINED SEPARATELY
9 WITH RESPECT TO EACH SPOUSE.—The credit
10 allowed under this section shall be sum of the
11 two credits determined under this section sepa-
12 rately with respect to each spouse (as provided
13 under this subparagraph).

14 “(B) TREATMENT OF INCOME OF
15 SPOUSES.—

16 “(i) IN GENERAL.—Except as pro-
17 vided in clause (ii), each spouse shall take
18 into account the income of such spouse for
19 purposes of this section.

20 “(ii) INCOME SPLIT NOT TO RESULT
21 IN INELIGIBILITY FOR CREDIT FOR EITHER
22 SPOUSE.—If—

23 “(I) the poverty line with respect
24 to a spouse (determined after applica-
25 tion of this paragraph but without re-
26 gard to this clause) exceeds the in-

1 come taken into account by such
2 spouse for purposes of this section (as
3 so determined), and

4 “(II) the income taken into ac-
5 count by the other spouse for pur-
6 poses of this section (as so deter-
7 mined) exceeds the sum of the poverty
8 line with respect to such other spouse
9 (as so determined) plus the excess de-
10 scribed in subclause (I),

11 the excess described in subclause (I) shall
12 be taken into account as income of the
13 spouse referred to in subclause (I) and not
14 as income of the spouse referred to in sub-
15 clause (II).

16 “(C) TREATMENT OF DEPENDENTS.—

17 “(i) IN GENERAL.—Except as pro-
18 vided in clause (ii), dependents of the tax-
19 payer shall be allocated between the two
20 spouses at the election of the taxpayer. For
21 purposes of determining the family size in-
22 volved and household income with respect
23 to each spouse, only such spouse and the
24 dependents allocated to such spouse under

1 this subparagraph shall be taken into ac-
2 count

3 “(ii) LIMITATION ON TAXPAYER ALLO-
4 CATION.—The number of dependents allo-
5 cated to a spouse under clause (i) cannot
6 exceed the number of dependents allocated
7 to the other spouse by more than 1 de-
8 pendent.

9 “(D) TREATMENT OF PREMIUMS.—To the
10 extent that the amount of any monthly pre-
11 mium is determined separately with respect to
12 either spouse or any dependent of the taxpayer,
13 such premium shall be taken into account by
14 such spouse or the spouse to which such de-
15 pendent is allocated under subparagraph (C).
16 In the case of any monthly premium which is
17 not so separately determined, such premium
18 may be allocated between the two spouses at
19 the election of the taxpayer.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to taxable years beginning after
22 the date of the enactment of this Act.

1 SEC. 3. REDUCTION IN POVERTY LINE ELIGIBILITY LIMITA-

2 TION FOR HEALTH INSURANCE PREMIUM

3 TAX CREDIT.

4 (a) AMENDMENTS TO THE INTERNAL REVENUE
5 CODE OF 1986.—

16 “(B) APPLICABLE PERCENTAGE.—The
17 term ‘applicable percentage’ means such per-
18 centage as the Secretary, after consultation
19 with the Secretary of Health and Human Serv-
20 ices, determines will result in a combination of
21 increased Federal revenues and reduced Federal
22 outlays which is equal to the combination of re-
23 duced Federal revenues and increased Federal
24 outlays as a result of the amendments made by
25 section 2 of the Obamacare Marriage Penalty
26 Elimination Act.”.

(3) CONFORMING AMENDMENTS.—

13 (b) AMENDMENTS TO THE PATIENT PROTECTION
14 AND AFFORDABLE CARE ACT.—

21 (2) CONFORMING AMENDMENTS.—

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